

DAILY MARKETS OVERVIEW

13 SEPTEMBER 2018

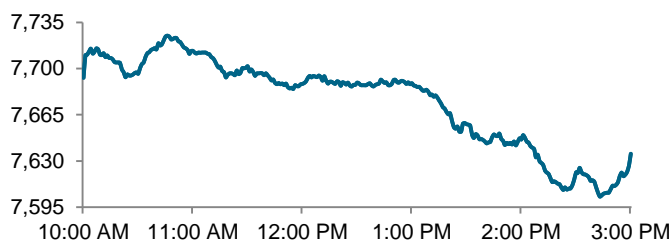
السوق السعودي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,635	-0.7	-0.7	5.7	16.9
Saudi (NOMU)	2,520	-2.4	-1.8	-19.7	8.5
Energy	4,671	-1.6	-2.0	9.1	16.2
Materials	5,520	-0.8	-0.6	9.2	17.7
Capital Goods	3,655	-1.2	-2.0	-15.8	NA
Com. & Prof. Svc	4,472	-0.7	-0.6	6.3	19.5
Transportation	3,692	-1.7	-3.5	-8.0	22.8
Cons. Durables & Apparel	3,608	-1.6	-2.9	-12.9	NA
Consumer Services	3,052	-1.7	-4.1	-17.2	17.6
Media	12,005	-1.0	0.7	55.2	NA
Retailing	6,099	-1.7	-0.7	8.3	23.2
Food & Staples Retailing	5,483	-0.9	-2.4	-2.3	41.0
Food & Beverages	4,109	-1.9	-0.8	-16.1	26.8
Health Care Equipment	3,960	-1.3	-0.7	-10.9	19.1
Pharma, Biotech & Life Science	4,057	0.5	-0.5	2.2	26.0
Banks	6,616	-0.7	-0.8	20.2	12.2
Diversified Financials	3,471	-0.5	-2.2	-13.9	NA
Insurance	3,761	-1.1	1.2	-20.4	31.0
Telecommunication	4,979	0.3	2.3	17.1	NA
Utilities	3,658	-1.1	-1.7	-19.8	NA
REITs	3,659	-0.3	-0.8	-21.0	NA
Real Estate	3,364	0.3	-1.3	-28.4	27.5

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
The Mediterranean & Gulf Insurance & Reinsurance Co.	16.00	5.3%	8.1
Bonyan REIT	9.40	3.8%	0.4
Saudi Steel Pipe Co.	21.40	2.9%	30.7
Methanol Chemicals Co.	10.96	2.1%	37.3
Al Alamiya for Cooperative Insurance Co.	36.30	1.8%	12.7

Source: Tadawul

Upcoming General Assembly Meetings

Company	Date
Mouwasat Medical Services Co.	17-Sep-18
United Electronics Co.	18-Sep-18
Fawaz Abdulaziz Alhokair Co.	25-Sep-18
Saudi Investment Bank	26-Sep-18
Abdullah Al Othaim Markets Co.	26-Sep-18
Middle East Specialized Cables Co.	27-Sep-18

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of September 13, 2018
(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 0.7% lower at 7,635 while NOMU ended 2.4% lower at 2,520 on Wednesday. TASI traded value totaled SAR 2.3bn and averaged SAR 2.5bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 51.3% of the daily traded value.
- Banks and Materials ended 0.7% and 0.8% lower, respectively. Telecom ended 0.3% higher. Pharma, Biotech & Life Science (up 0.5%) was the best performer. Among stocks, The Mediterranean & Gulf Insurance & Reinsurance Co. (8030/MEDGULF AB), Bonyan REIT (4347/BONYAN AB), and Saudi Steel Pipe Co. (1320/SSP AB) led the gainers.
- KSA tightened the price guidance of a planned sale of USD 2.0bn (SAR 7.5bn) in public Islamic bonds to 130–135 basis points over mid-swaps. Citi (C US), HSBC (HSBA LN), and JPMorgan (JPM US) are working as global coordinators for the issuance. (Source: Zawya)
- The Ministry of Energy, Industry and Mineral Resources seeks to generate 160,000 jobs in the mining sector by 2030. The Ministry's 42-initiative strategy is aimed at restructuring the mining sector and raise its contribution to GDP to USD 64.0bn (SAR 240bn) from USD 17.0bn (SAR 63.8bn). (Source: Argaam)
- As per Bloomberg report, the Public Investment Fund (PIF) would sign a USD 11bn (SAR 41.2bn) loan this week. The first commercial loan of PIF would be priced at 75 basis points over Libor, or just below 90 basis points, including fees. (Source: Argaam)
- Saudi Aramco awarded a contract to China Harbour Engineering Arabia for the construction of two drilling islands under the company's Berri Increment Programme. (Source: Argaam)
- Jabal Omar Development Co. (4250/JOMAR AB) obtained the initial licensing to sell 741 off-plan hotel units in the third phase of the Jabal Omar Address Makkah project. (Source: Argaam)
- The UK unit of Saudi Agricultural & Livestock Investment Co. (SALIC) is close to acquiring Ukraine's Mriya Agro Holding Plc. The acquisition would take the SALIC-operated farming area in Ukraine to over 200,000 hectares. (Source: Argaam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
United International Transportation Co.	26.30	-6.4%	41.7
Gulf Union Cooperative Insurance Co.	13.30	-6.2%	6.6
Saudi Cable Co.	23.36	-4.3%	0.5
Malath Cooperative Insurance and Reinsurance Co.	12.28	-4.1%	6.5
Saudi Fisheries Co.	20.22	-3.8%	11.3

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Alinma Bank	19.74	-1.0%	408
Saudi Basic Industries Corp.	119.00	-0.7%	348
Dar Alarkan Real Estate Development Co.	9.06	-0.4%	197
Al Rajhi Bank	84.00	-0.2%	139
Saudi Kayan Petrochemical Co.	16.50	-1.1%	93

Source: Tadawul

DAILY MARKETS OVERVIEW

13 SEPTEMBER 2018

السوق الفرنسي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,810	-0.8	-0.6	-16.6	7.5
Abu Dhabi (ADX)	4,934	-1.2	0.3	12.2	13.2
Kuwait (KSE)	5,205	-0.3	-2.3	1.5	16.1
Qatar (QE)	9,990	0.6	1.7	17.2	14.7
Oman (MSM)	4,531	1.0	2.2	-11.2	11.0
Bahrain (BSE)	1,341	-0.2	0.0	0.7	9.1
DJMENA Index	556	-0.5	-0.1	5.7	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,889	0.0	0.6	8.1	20.8
US (NASDAQ 100)	7,954	-0.2	0.7	15.2	24.4
UK (FTSE 100)	7,313	0.5	0.5	-4.9	16.2
Germany (DAX)	12,032	0.5	0.6	-6.9	13.8
France (CAC 40)	5,332	0.9	1.5	0.4	16.7
Russia (MICEX)	2,335	0.0	0.6	10.7	NA
Japan (Nikkei)	22,605	-0.3	1.3	-0.7	16.4
Hong Kong (HSI)	26,345	-0.3	-2.3	-11.9	10.0
South Korea (KOSPI)	2,283	0.0	0.1	-7.5	11.0
China (SHCOMP)	2,656	-0.3	-1.7	-19.7	12.5
India (NIFTY)	11,370	0.7	-1.9	8.0	23.5
Brazil (IBOV)	75,125	0.6	-1.7	-1.7	NA
Turkey (BIST 100)	92,227	-0.2	-1.1	-20.0	6.9
Egypt (EGX30)	15,488	-0.9	-2.0	3.1	13.3
MSCI Emerging Markets	1,005	0.1	-1.8	-13.3	12.4
MSCI World	2,153	0.2	0.7	2.3	18.4

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	79.7	0.9	3.8	19.2	48.1
Natural Gas (\$/mmbtu)	2.8	0.1	1.9	0.8	-4.4
Gold (\$/oz)	1,206	0.6	0.8	-7.7	-9.1
Silver (\$/oz)	14.3	0.8	0.5	-16.5	-19.9
Platinum (\$/oz)	800	1.0	2.1	-14.1	-19.4
Copper (\$/t)	5,981	2.4	1.1	-17.0	-11.1
Zinc (\$/t)	2,359	2.5	-2.6	-29.3	-23.4
Lead (\$/mt)	1,981	0.6	-2.7	-20.6	-12.3
Wheat (\$/bu)	507	-2.3	-0.9	8.8	-1.9
Corn (\$/bu)	353	-3.9	-4.0	-8.2	-11.6
Sugar (\$/lb)	12.0	0.0	9.0	-21.1	-25.0

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.33	0.00	0.64	0.00
Saudi Arabia	2.63	0.00	0.73	0.30
UAE	2.61	0.08	0.82	0.28
Kuwait	2.00	-0.06	0.13	-0.33
Qatar	2.65	0.00	0.00	0.32
Bahrain	3.53	0.00	0.80	1.19

Source: Reuters

NOTES: (1) Prices updated as of September 13, 2018 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended mixed on Wednesday. S&P 500 ended flat while NASDAQ declined 0.2%. Dow Jones Industrial ended 0.1% higher. In Europe, both UK and Germany ended 0.5% higher, while France closed 0.9% higher.
- Asian markets are trading in green on Thursday. China is trading flat. Japan and South Korea are trading 0.9% and 0.1% higher, respectively. Hong Kong is up 1.2%, while India is closed for trading.
- GCC markets ended mixed on Wednesday. Dubai decreased 0.8% while Abu Dhabi ended 1.2% lower. Kuwait declined 0.3% while Qatar closed 0.6% higher. Oman closed 1.0% higher while Bahrain declined 0.2%.
- According to US EIA Petroleum status report, weekly change in crude oil inventories were down 5.3mn barrels for the week ended September 7 (prior: -4.3mn barrels). (Source: Econoday)
- The OPEC stated that world oil demand in 2019 would rise by 1.41mn barrels per day (bpd), 20,000 bpd less than last month and the second consecutive reduction in the forecast. (Source: Zawya)
- Moody's revealed that Kuwait, Abu Dhabi and UAE are the highest rated EM sovereigns at Aa2, but overall, Africa and Middle East region has the largest number of EM sovereigns rated below investment grade. It further added that EMs are increasingly forming a larger part of the investment space. (Source: GulfBase)
- The UAE will implement a new VAT refund system for millions of tourists from November. The Federal Tax Authority (FTA) will initially make the VAT refund system available at airports in Dubai, Abu Dhabi and Sharjah. (Source: Arabian Business)
- Dubai Chamber signed an agreement with the Shanghai Federation of Industry and Commerce aiming to facilitate bilateral trade and investment between the UAE and Chinese business communities and encourage knowledge sharing. (Source: Trade Arabia)
- Abu Dhabi Fund for Development (ADFD) approved a USD 33mn (AED 121mn) loan for the development of a waste-to-energy facility in Sharjah. The plant will have the capacity to generate around 30 MW of energy and would be completed by early 2021. (Source: Arabian Business)
- Bahrain is set to revamp two major highways linking the Isa Town and Riffa areas besides the construction of a flyover at the junction of both roads as part of a planned facelift. (Source: Trade Arabia)
- Sa'ada, a waterfront project being developed by Bahrain Real Estate Investment Company (Edamah) in the Muharraq area of the country, at an investment of BHD 45mn (USD 119mn), is on track for 2019 launch. (Source: Trade Arabia)
- US jobless claims for the week ended September 8 (prior: 203K; consensus: 210K) will be announced today. (Source: Econoday)
- Change in US's CPI for August 2018 (prior: 0.2% M/M, 2.9% Y/Y; consensus: 0.3% M/M, 2.8% Y/Y) will be announced today. (Source: Econoday)
- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended September 14 (prior: -5.3mn barrels) will be announced on September 19. (Source: Econoday)

DAILY MARKETS OVERVIEW

13 SEPTEMBER 2018

السوق الفرنسي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



Contacts

RESEARCH & ADVISORY

Research&Advisory@FransiCapital.com.sa

SAUDI FRANSI CAPITAL

Call Centre

800-125-9999

Website

www.sfc.sa

SAUDI FRANSI CAPITAL (CLOSED JOINT STOCK COMPANY OWNED BY BANQUE SAUDI FRANSI)

Licensed by the Capital Market Authority to conduct all securities business activities. license Number 11153-37

C.R. 1010231217 - Paid Up Capital 500,000,000 S.R.

Head Office: 8092 King Fahd Road - Riyadh 12313-3735 - Kingdom of Saudi Arabia

Mailing Address: P.O. Box 23454 - Riyadh 11426

Tel: +966 11 282 6666 - Fax: +966 11 282 6667

Disclaimer

The information in this report was prepared for the purpose of viewing public information only. This information was gathered in this report from various public sources believed to be reliable. Whilst all reasonable care has been taken to ensure that the facts, the forecasts, and expectations contained in this report are accurate. Saudi Fransi Capital makes no representations or warranties whatsoever as to the accuracy of the data and information provided and, in particular, Saudi Fransi Capital is not held responsible that the information in this report is complete or free from any error.

This report is not considered to be construed as, an offer or solicitation of an offer to buy or to sell any financial securities or adapt an investment or trading method. Saudi Fransi Capital accepts no liability whatsoever for any loss arising from any use of this report or its contents.

This report provides information of a general nature and is not intended to provide investment advice and does not take into account the reader's financial situation or any specific investment objectives which the reader may have. Before making any investment decision, the reader should seek an independent advice from his financial advisor due to the investment in such kind of securities may not be suitable for all.